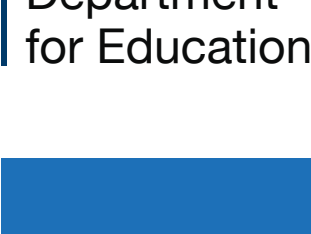


Part of
Education and childcare during coronavirus



Guidance

School funding: exceptional costs associated with coronavirus (COVID-19) for the period from March to July 2020

Updated 24 June 2020

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This guidance sets out the financial support we have put in place to ensure schools can focus on the vital role they are playing at this time. It covers support for schools up to the end of the 2019 to 2020 summer term.

Schools will continue to receive their core funding allocations – as determined by the local authority for maintained schools and through the general annual grant (GAG) for academies – for the 2020 to 2021 financial year (April 2020 to March 2021 for maintained schools and until August 2021 for academies and non-maintained special schools). This will happen regardless of any periods of partial or complete closure and will ensure schools can continue to pay staff and meet other regular financial commitments, as we move through these extraordinary times.

Local authorities will also continue to receive their high needs budgets and should continue to pay top-up and other high needs funding to schools. This will ensure that the employment and payment of staff supporting pupils with special educational needs and disabilities (SEND) can continue.

Similarly, where schools pay top-up or other funding for pupils attending alternative provision (AP), or pay for other SEND or AP services, we expect these payments to continue so that teachers and other staff can be paid in accordance with their existing employment contracts.

If placements and services for the summer term have not yet been agreed, schools should fund on the basis of previous patterns of placements and commissioning.

The additional funding set out in this guidance is not intended to cover any individual costs relating to changes in SEND provision organised by local authorities for individual children and young people with education, health and care (EHC) plans.

There will be some instances where schools face additional costs as a result of the coronavirus (COVID-19) outbreak and will not be able to cover these from their existing resources. This guidance sets out the details of the support we have put in place for such schools.

Main changes to previous guidance

On 24 June, we:

- revised the section on the impact of schools' financial reserves on eligibility for this funding
- added details of what support schools can access to cover the loss of self-generated income which is not covered by this fund
- confirmed that schools should proceed with a phased wider opening and any measures associated with it within existing resources, as any costs incurred as part of that process cannot be claimed through this fund

Eligibility for this funding

Funding is available for all state-funded mainstream and special schools, and alternative provision, including:

- primary, secondary and all through maintained schools, academies and free schools
- 16 to 19 academies and maintained schools
- maintained special schools
- special academies and free schools
- non-maintained special schools
- pupil referral units
- alternative provision academies and free schools
- maintained hospital schools and academies

How schools can access funding

Funding is available to cover costs relating to [specific items](#). These items are ones we judge necessary to allow schools to provide appropriate support to those children attending school during the period of partial closure.

Funding is available to schools that are unable to meet such additional costs from their existing resources, or which they could only meet by drawing down on reserves and undermining their long-term financial sustainability.

Schools are not eligible to make a claim against this fund if they expect to add to their existing historic surpluses in their current financial year (September 2019 to August 2020 for academies and April 2020 to March 2021 for maintained schools). This means schools cannot claim if they began their current financial year with an accumulated historic surplus and expect to increase that surplus this year and thereby finish the year with a higher level of reserves than they started.

Schools are eligible for reimbursement where the additional costs associated with coronavirus (COVID-19) would:

- result in a school having to use historic surpluses
- increase the size of a historic deficit
- prevent the planned repayment of a historic deficit

We are asking schools to make the necessary payments from their existing budgets and record these in line with local finance policies. See guidance on [claiming exceptional costs associated with coronavirus \(COVID-19\)](#) for instructions on how to submit a claim.

We will make payments – direct to academies, or to local authorities to pass onto their schools – to reimburse schools for costs they apply for up to the [limits](#).

Additional costs covered by the fund

We understand this is a very challenging time for schools. We encourage all schools to continue to manage their budgets in the most effective way possible, and to redirect their existing resources to best support all their pupils, particularly vulnerable children and children of critical workers.

We have identified areas where we believe it is most likely that schools may face additional costs, as a result of the coronavirus (COVID-19) outbreak.

These are:

- increased premises related costs** (including utilities and resources needed to keep the school open, such as hygiene services) associated with keeping schools open during the Easter and/or summer half term holidays, for vulnerable children and the children of critical workers, over and above the costs that schools would have faced in other circumstances
- support for free school meals for eligible children who are not attending school**, where those costs are not covered by the [national voucher scheme](#) - this covers:
 - costs to schools arising before the introduction of the national voucher scheme
 - costs where schools are providing free meals to children for whom the national voucher scheme is inappropriate (for example, because there are no participating supermarkets locally or schools are providing meals directly) - schools can only claim through this fund for free school meals provided over Easter and summer half term holidays where it was required because local supermarkets were not yet part of the national scheme
- additional cleaning** – required due to confirmed or suspected coronavirus (COVID-19) cases, in line with [COVID-19: cleaning of non-healthcare settings](#), over and above the cost of existing cleaning arrangements

If a school faces other, extraordinary costs to deliver appropriate support to their pupils over the period of partial closure that are not covered by this list and cannot be met by existing budgets, they will be able to register the details of these through the claims process. For other queries about financial support, complete the [Education and Skills Funding Agency \(ESFA\) enquiry form](#).

Schools are not eligible to make claims for any additional costs associated with more pupils returning to school that are not covered by these categories. We have published guidance on the [actions schools can take to open for more pupils](#) in a way that minimises the risks of transmission. We anticipate that schools will typically be able to implement the measures set out in our guidance (including increases to routine cleaning) within their existing resources.

Loss of income

We recognise that during this period of partial closure many publicly funded schools are not able to secure income from private sources that they normally would, for example letting facilities, providing wrap-around childcare or catering services.

Lost self-generated income is not covered by this grant.

Where schools normally provide a service or operation that is wholly or significantly funded by private income, we know this lost revenue will create additional pressure on budgets.

Where schools have members of staff delivering these services, which were funded by private income, they should first look to make the necessary savings from their existing budgets or consider options to redeploy these staff. Once having looked to these other options, schools can then consider using the [Coronavirus Job Retention Scheme](#).

See information on [financial support for education, early years and children's social care](#) to find out how the Coronavirus Job Retention Scheme applies in the education and childcare sector.

Funding allowances

Where they need to, schools will be eligible to claim up to the limits set out below. Schools will need to provide assurance that costs are legitimate additional costs incurred due to coronavirus (COVID-19) by taking necessary measures and should consider the following before submitting claims:

- schools should keep records of all expenditure relating to coronavirus (COVID-19), as is usual with all spend, these records will be necessary for local audit arrangements
- the headteacher or school business manager who submits the claim should give due consideration to their financial duties when doing so, including signing their name against any claim
- we would expect schools to be able to identify this income, and the related expenditure, when reporting their accounts

We want the claims process to be as simple and as user friendly as possible, recognising the additional work schools are already facing.

We will not be asking for detailed information of the individual items on a claim routinely, but schools should hold a record of what has been covered, in case of individual enquiries.

As usual, we reserve the right to audit the expenditure and clawback money if claims have not been made in accordance with the guidance, in order to protect public spending.

Limits for schools

Mainstream schools	
250 pupils or fewer	£25,000
251 to 500 pupils	£30,000
501 to 1000 pupils	£50,000
Over 1000 pupils	£75,000
Special schools and alternative provision	
All schools	£50,000

Pupil numbers will be defined by the following data:

- 2 to 4 year olds – headcount of funded places from January 2020
- 5 to 16 year olds – headcount from October 2019 census
- 16 to 19 year olds – pupil numbers from 2019 to 2020 academic year allocations

These limits have been set to ensure that few schools will be likely to exceed them, and we do not expect there to be many schools who need to spend up to these limits.

There may be some exceptional instances where individual schools will face additional costs that are higher than these limits. In these circumstances, schools will be able to make a case for increasing the limit when they submit a claim for additional funding.

Expectations of schools

Schools will continue to receive their budgets for the coming year as usual, regardless of any periods of partial or complete closure, and this will ensure they are able to continue to pay for staff and meet their other regular financial commitments, while delivering the provision required during this unprecedented period.

Costs that are part of schools' expected expenditure for the year but that will not provide a benefit to the school or its pupils are not covered by the funding set out in this guidance. This funding is focused on additional costs that schools face, over and above their expected expenditure, in delivering appropriate support for their pupils through the period of partial closure.

We recognise that staff were needed in school over the Easter and summer half term holidays when they would usually not be working. In order to protect staff wellbeing, and minimise any need for existing staff to work additional hours in order to cover the holiday periods, schools should have considered:

- adopting rota systems to cover holidays, and offering staff time off in lieu for this
- approaching the local authority or academy trust to check whether staffing support is available from other institutions
- making appropriate use of their supply budget

If schools still had unavoidable additional staffing costs they should have discussed these with their Regional School Commissioner to resolve the issue.

Short-term support with costs

We recognise that some schools may be unable to make up-front payments to cover the additional costs due to coronavirus (COVID-19) because of cash flow issues. In these circumstances, schools should follow the normal process for seeking short-term advances to support their cash flow by contacting the ESFA if they are an academy, or their local authority if they are a maintained school.

Any non-maintained special school with a cash flow difficulty should seek advice from the ESFA in the first instance.